1 2 3 UNITED STATES DISTRICT COURT 4 5 DISTRICT OF NEVADA 6 7 UNITED STATES OF AMERICA, Plaintiff, 8 2:05-CR-0078-PMP-GWF 9 SDI FUTURE HEALTH, INC., TODD 10 ORDER STUART KAPLAN, and JACK BRUNK, 11 Defendants. 12 13 Before the Court for consideration are the Findings and Recommendations (#126) 14 of Magistrate Judge George Foley, Jr., regarding Defendants' Motion Requesting an 15 16 Evidentiary Hearing Regarding the Government's Intrusions Into Defendants' Privileged 17 Information (#39). Objections to Magistrate Judge Foley's Findings and Recommendations were filed by the Government (#130) on October 26, 2006, and by Defendants (#131) on 18 19 October 31, 2006, in accord with Local Rule IB 3-2. 20 The Court has conducted a de novo review of the record in this case in 21 accordance with 28 U.S.C. § 636(b)(1)(B) and (C) and Local Rule IB 3-2 and determines 22 that the Findings and Recommendations of the United States Magistrate Judge should be 23 affirmed. IT IS THEREFORE ORDERED that Magistrate Judge Foley's Findings and 2.4 25 Recommendations (#126) are affirmed, the Objections are overruled, and Defendants'

Motion Requesting an Evidentiary Hearing Regarding the Government's Intrusions Into

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Defendants' Privileged Information (#39) is denied. Counsel for the parties shall comply with Magistrate Judge Foley's recommendation that the parties forthwith brief their respective positions on the attorney-client privilege regarding the documents that Defendant SDI's counsel identified in his February 5, 8 and 21, 2002, letters to the Government, and that the Government set forth its position regarding application of the "crime fraud" exception as to any documents otherwise deemed to be privileged. In this regard, Defendant shall file their brief not later than December 20, and Plaintiff United States shall file its Response by January 5, 2007. Defendant shall file any Reply Memorandum not later than January 16, 2007.

DATED: November 28, 2006

Chi. M. Chi.

PHILIP M PRO

Chief United States District Judge